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**BALL JANIK LLP**

A T T O R N E Y S

1455 F STREET, NW, SUITE 220  
WASHINGTON, D.C. 20005

www.balljanik.com

TELEPHONE 202 638 3307  
FACSIMILE 202 783 6047

KARI MORELL

kmorell@dc.bjlp.com

April 27, 2011

E-FILED

Ms. Cynthia T. Brown  
Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street S.W.  
Washington, DC 20423-0001

ENTERED  
Office of Proceedings

APR 27 2011

Part of  
Public Record

Re: STB Finance Docket No. 35353, VFRC, LLC – Acquisition  
Exemption – Union Pacific Railroad Company

Dear Ms. Brown:

By decision served March 1, 2011, in the above-referenced proceeding, the Surface Transportation Board ("Board") provided VFRC, LLC ("VFRC") an opportunity to submit a modified operating agreement by May 2, 2011. In that decision, the Board expressed concern that the termination provisions of the operating agreement and VFRC's ability to select a replacement carrier vest significant control in the hands of VFRC.

VFRC has worked with Albany & Eastern Railroad Company ("AERC") in an attempt to modify the operating agreement in a manner that will satisfy the Board's concerns and, at the same time, satisfy the concerns of both VFRC and AERC. VFRC is extremely satisfied with AERC's service and apparently AERC is also satisfied with the current arrangement. Circumstances, however, may change. For example, the level of traffic on the line may decline causing AERC to terminate or not renew the operating agreement and stop service. The implication of the Board's decision is that VFRC must not be able to select a replacement carrier. But if that is the case, VFRC may be left without a carrier or a suitable carrier and have wasted its investment in acquiring and rehabilitating the line.

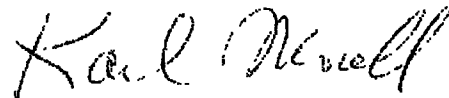
Notwithstanding this dilemma, VFRC respectfully requests 60 additional days to attempt to come up with a solution that hopefully will satisfy the concerns of the Board and the parties to the operating agreement.

BALL JANIK LLP

Ms. Cynthia T. Brown  
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If you have any questions, please contact me.

Sincerely yours,

A handwritten signature in cursive script that reads "Karl Morell". The signature is written in black ink and is positioned above the printed name.

Karl Morell